

STATE OF SOUTH CAROLINA

(Caption of Case)

Proposed Regulation 103-607, Bonding or Other
Security for Prepaid Local Exchange Telephone
Service Carriers

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2007 - 400 - C

(Please type or print)

Submitted by: Margaret M. Fox

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

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April 2, 2008

Mr. Charles L. A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210

**Re: Proposed Regulation 103-607, Bonding or Other Security for Prepaid
Local Exchange Telephone Service Carriers
Docket No. 2007-400-C**

Dear Mr. Terreni:

I am writing on behalf of the South Carolina Telephone Coalition ("SCTC") (see attached list) to comment on the Proposed Regulation issued by the Public Service Commission of South Carolina ("Commission") and published in The State Register on February 22, 2008, in the above-referenced docket. The SCTC appreciates and welcomes the opportunity to provide comments regarding bonding or other security for prepaid local exchange telephone service carriers.

SCTC commends the Commission for taking steps to protect consumers who do not receive services for which they have paid in advance. We support the intent and the language of the regulation, with one suggested modification.

The regulation applies to telecommunications carriers who provide prepaid local exchange services and "who have not invested at least five million dollars in telecommunications facilities in the State of South Carolina." The regulation does not specify how the level of investment will be defined or determined. SCTC's members include a number of small telephone companies and cooperatives in South Carolina. While most of them can meet the \$5 million investment mark under any definition of that level of investment, there are several small telephone companies in South Carolina who may not meet the benchmark, depending on how it is defined. These companies, while small, have demonstrated a commitment to providing service to South Carolina citizens for many years.

Mr. Charles L. A. Terreni

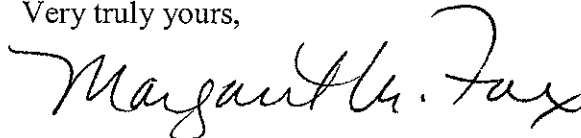
April 2, 2008

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We do not believe it is the intent of this proposed regulation to impose additional security requirements on companies with a longstanding history and commitment to providing service to customers in South Carolina, and who have significant assets in the state. Therefore, we respectfully request that the regulation be amended to make clear that it is not intended to apply to incumbent local exchange carriers. This can be accomplished by including an express exemption for these companies, by lowering the investment threshold, or as Verizon has suggested in its comments, by modifying the language of the first sentence of the regulation as follows: "This regulation applies to telecommunications carriers who provide prepaid local exchange services (requiring advance payment from customers prior to providing telecommunications service) and who, individually or together with their affiliates, have not invested at least five million dollars in telecommunications facilities in the State of South Carolina."

Again, thank you for the opportunity to provide these initial comments, and the SCTC looks forward to continuing to participate and provide further commentary as the rulemaking process moves forward.

Very truly yours,

A handwritten signature in black ink, appearing to read "Margaret M. Fox". The signature is fluid and cursive, with the first name "Margaret" being more prominent and the last name "Fox" written in a slightly more stylized, less connected manner.

Margaret M. Fox

cc: Nanette S. Edwards, Esquire